

OFFICE OF  
GENERAL COUNSEL  
BEFORE THE FEDERAL ELECTION COMMISSION

2018 AUG -2 PM 12:02

CAMPAIGN LEGAL CENTER  
1411 K Street NW, Suite 1400  
Washington, DC 20005

v.

MUR No. 7451

2018 AUG -1 PM 4:56  
RECEIVED  
FEC MAIL CENTER

RING POWER CORPORATION  
500 World Commerce Pkwy  
St. Augustine, Florida 32092

COMPLAINT

1. This complaint is filed pursuant to 52 U.S.C. § 30109(a)(1) and is based on information and belief that Ring Power Corporation has violated FECA's prohibition on federal contractors making contributions to political committees while negotiating or performing federal contracts, 52 U.S.C. § 30119(a)(1), by contributing \$50,000 to New Republican PAC (ID: C00544544).
2. "If the Commission, upon receiving a complaint . . . has reason to believe that a person has committed, or is about to commit, a violation of [the FECA] . . . [t]he Commission *shall* make an investigation of such alleged violation . . ." 52 U.S.C. § 30109(a)(2) (emphasis added); *see also* 11 C.F.R. § 111.4(a).

FACTS

3. New Republican PAC is an independent expenditure-only political committee (i.e., a "super PAC").<sup>1</sup> New Republican PAC describes itself as "focused on the election of Rick Scott in the race for Florida United States Senate."<sup>2</sup> The PAC was initially formed by Governor

<sup>1</sup> See New Republican, Statement of Organization, FEC Form 1, at 5 (filed April 5, 2018), <http://docquery.fec.gov/pdf/423/201804059103537423/201804059103537423.pdf>.

<sup>2</sup> New Republican, *Who We Are*, <https://newrepublican.org/who-we-are/> (last visited July 30, 2018).

Scott with the aim of “re-branding and re-inventing the Republican Party to help Donald Trump's agenda, as well as appealing to young and Hispanic voters.”<sup>3</sup>

4. Ring Power Corporation is a private company headquartered at 500 World Commerce Parkway, St. Augustine, FL 32092.<sup>4</sup> Ring Power Corporation, located at 500 World Commerce Parkway, St. Augustine, FL 32092, is and has been the recipient of numerous federal and contracts and grants, dating back to 2007, according to USAspending.gov.<sup>5</sup> Contracts have come from various agencies across the federal government, including the Department of Homeland Security, the Department of Justice, the Department of Agriculture, the Department of Defense, and the Department of the Interior.<sup>6</sup>
5. In its 2018 July quarterly report to the Commission, New Republican PAC reported that on April 23, 2018, it had received a \$50,000 contribution from Ring Power Corporation, 500 World Commerce Parkway, St. Augustine, FL 32092.<sup>7</sup>

#### SUMMARY OF THE LAW

6. “Contribution” is defined as “any gift . . . of money or anything of value made by any person for the purpose of influencing any election for Federal office.” 52 U.S.C. § 30101(8)(A)(i).
7. Federal law prohibits a federal contractor from making any “contribution to any political party, committee, or candidate for public office” at any time between the commencement of

<sup>3</sup> Adam C. Smith, *Federal complaint alleges Rick Scott's PAC illegally skirted fundraising restrictions*, TAMPA BAY TIMES (Apr. 10, 2018), <http://www.tampabay.com/florida-politics/buzz/2018/04/10/federal-complaint-alleges-rick-scotts-pac-illegally-skirted-fundraising-restrictions/>.

<sup>4</sup> See Ring Power, *Corporate Headquarters*, <http://ringpower.com/locations/st-augustine.aspx> (accessed July 30, 2018).

<sup>5</sup> See Keyword Search: Ring Power, USAspending.gov, [https://www.usaspending.gov/#/keyword\\_search/%22ring%20power%22](https://www.usaspending.gov/#/keyword_search/%22ring%20power%22).

<sup>6</sup> See *id.*

<sup>7</sup> See New Republican, *Quarterly Report of Receipts and Reimbursements, FEC Form 3X*, at 31 (filed July 15, 2018), <http://doquery.fec.gov/pdf/860/201807159115526860/201807159115526860.pdf>.

negotiations for a federal contract and the completion of performance or termination of negotiations for the contract. 52 U.S.C. § 30119(a)(1).

8. Federal law additionally prohibits any person from knowingly soliciting such a contribution from a federal contractor. 52 U.S.C. § 30119(a)(2).
9. The contractor contribution ban applies to any person “who enters into any contract with the United States or any department or agency thereof” for “the rendition of personal services” or for “furnishing any material, supplies, or equipment,” or “selling any land or building,” if “payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress.” 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.1(a).
10. The ban applies from when a request for proposals is sent out (or when contractual negotiations commence) until the completion of performance of the contract or the termination of negotiations. 52 U.S.C. § 30119(a)(1); 11 C.F.R. § 115.1(b).
11. In 2011, the Commission made clear that the government contractor prohibition applies to contributions to independent expenditure-only political committees (i.e., “super PACs”) following the U.S. Supreme Court’s decision in *Citizens United v. FEC*<sup>8</sup> and the D.C. Circuit decision in *SpeechNow.org v. FEC*.<sup>9</sup> See, e.g., Advisory Opinion 2011-11 (Colbert) at 4-5, 10 (June 30, 2011); see also Press Release, FEC, *FEC statement on Carey v. FEC reporting guidance for political committees that maintain a non-contribution account*, n.1 (Oct. 5, 2011), <https://www.fec.gov/updates/fec-statement-on-carey-fec/>. In MUR 6403, the Commission emphasized that a contractor making a contribution to a political committee to fund independent expenditures is not itself making an expenditure; therefore, a contribution

<sup>8</sup> 130 S. Ct. 876 (2010).

<sup>9</sup> 599 F.3d 686 (D.C. Cir. 2010).

to such a committee falls “squarely within the statute’s prohibitions.” MUR 6403 (Alaskans Standing Together), Notification with Factual and Legal Analysis to Ahtna, Inc. and NANA Regional Corporation, Inc. at 5, 9 (Nov. 10, 2011).

12. The federal contractor ban was upheld unanimously by the *en banc* D.C. Circuit in *Wagner v. Fed. Election Comm’n*, 793 F.3d 1 (D.C. Cir. 2015) (*en banc*). The *en banc* court stressed that “the record offers every reason to believe that, if the dam barring contributions were broken, more money in exchange for contracts would flow through the same channels already on display.” *Id.* at 18.<sup>10</sup>

#### CAUSE OF ACTION

##### I. RING POWER CORPORATION VIOLATED THE CONTRACTOR CONTRIBUTION BAN

13. Federal law and Commission regulations prohibit a federal contractor from making any contribution to any political committee during the period in which a federal contract is being negotiated or performed. 52 U.S.C. § 30119(a)(1), 11 C.F.R. Part 115.
14. According to USASpending.gov, “the official source for spending data for the U.S. Government,”<sup>11</sup> Ring Power Corporation is a federal contractor and was a federal contractor when it made the \$50,000 contribution to New Republican PAC on April 23, 2018.<sup>12</sup>

<sup>10</sup> In 2016, Ring Power Corporation Vice President, Wayne Veitch, was appointed by Governor Scott to the state’s “Commercial Motor Vehicle Review Board (CMVRB), a panel comprised of the Secretary of Transportation, Executive Director of the Florida Department of Transportation, Commissioner of Agriculture, and four additional members,” which “review[s] appeals from those who receive [state] penalties (fines) for vehicle violations relating DOT safety regulations.” Ring Power, *Ring Power Corporation News* (Aug. 11, 2016), <https://blog.ringpower.com/post/Ring-Power-VP-Wayne-Veitch-Appointed-to-FDOT-Commercial-Motor-Vehicle-Review-Board.aspx>. Governor Scott reappointed Veitch to the Board in January of 2018. See Ring Power, *Ring Power Corporation News* (Jan. 18, 2018), <https://blog.ringpower.com/author/Ring-Power.aspx>.

<sup>11</sup> USASpending.gov, *Mission*, <https://www.usaspending.gov/#/about> (last visited July 30, 2018).

<sup>12</sup> See *supra* ¶¶4-5; see also USASpending.gov, *Contract Summary*, <https://www.usaspending.gov/#/award/65438344> (last visited July 23, 2018) (showing a \$22,456 contract from the Department of the Interior to Ring Power Corporation with a performance period of April 6, 2018 to September 10, 2018).

15. Consequently, there is reason to believe that Ring Power, as a federal contractor, violated the federal contractor contribution ban by making a "contribution to any political ... committee," namely New Republican PAC, during the period its federal contracts were being negotiated and/or performed. 52 U.S.C. § 30119(a)(1).

**PRAYER FOR RELIEF**

16. Wherefore, the Commission should find reason to believe that New Republican PAC violated 52 U.S.C. § 30101 *et seq.*, and conduct an immediate investigation under 52 U.S.C. § 30109(a)(2).
17. The Commission should seek appropriate sanctions for any and all violations, including civil penalties sufficient to deter future violations and an injunction prohibiting the respondents from any and all violations in the future, and should seek such additional remedies as are necessary and appropriate to ensure compliance with the FECA.

Respectfully submitted,

  
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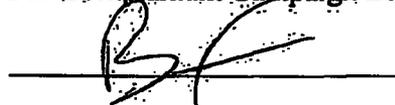
August 1, 2018

**VERIFICATION**

The complainant listed below hereby verify that the statements made in the attached Complaint are, upon their information and belief, true.

Sworn pursuant to 18 U.S.C. § 1001.

For Complainant Campaign Legal Center

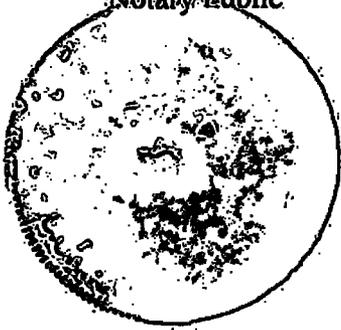


**Brendan M. Fischer**

Sworn to and subscribed before me this 1 day of August 2018.



Notary Public



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